The Contracting Parties today welcomed the United States of Indonesia as a contracting party.

The delegate of the Netherlands, H. van Blankenstein, said that following the favourable results arrived at during the Round Table Conference at the Hague between delegations of the Kingdom of the Netherlands, the Government of the Republic of Indonesia and the Federal Consultative Assembly made it possible for Her Majesty the Queen of the Netherlands during a formal meeting held at Amsterdam on December 27th 1949 to transfer complete sovereignty over the whole of the territory of Indonesia, with the exception of New Guinea, to the Republic of the United States of Indonesia. As a consequence of this transfer the Netherlands Government recognized this Republic as an independent and sovereign state, which also meant that the Republic acquired full authority in all external relations over said territory.

Consultations between the Netherlands Government and the Indonesian Government had resulted in the preparedness of the Indonesian Government to become an independent contracting party in its own right.

The Netherlands Government had therefore asked the Contracting Parties to recognize Indonesia in accordance with the provisions of Article XXVI, paragraph 4.

Speaking for Indonesia, Dr. Djoemhana declared that Indonesia was fully prepared to become a Contracting Party. Indonesia, he said, agreed to the negotiations conducted by the Dutch Government; he had also been instructed to state that Indonesia would use the limitations, defined in Articles XII to XV, relating to the foreign exchange and economic position of the country. He was also instructed to communicate that the Government of the United States of Indonesia envisages to apply for application of Article XVIII in relation to the reconstruction of the country. He said that Indonesia would as soon as possible inform the Contracting Parties of the measures relating to balance of payments problems and economic development and reconstruction.

Earlier today the Contracting Parties opened their discussions on matters arising out of Article XVIII of the Agreement and on the status of the Protocols. It is hoped to publish the final agreed agenda early next week together with comments.